

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

Set: 9:30 AM (AST)
Started: 9:33 AM (AST)
Ended: 3:17 PM (AST)

MINUTES OF PROCEEDINGS

BEFORE U.S. DISTRICT JUDGE LAURA TAYLOR SWAIN

DATE: July 14, 2021

U.S. MAGISTRATE JUDGE JUDITH G. DEIN

COURTROOM DEPUTY: María Luz Díaz-Santiago

COURT REPORTER: Amy Walker

In Re: The Financial Oversight & Management Board for Puerto Rico <i>as representative of</i> The Commonwealth of Puerto Rico et al., Debtors	3:17-BK-3283 (LTS) PROMESA Title III (Jointly Administered)
In Re: The Financial Oversight & Management Board for Puerto Rico <i>as representative of</i> The Employees Retirement System of the Government of the Commonwealth of Puerto Rico, Debtor	3:17-BK-3566 (LTS) PROMESA Title III (Jointly Administered)
In Re: The Financial Oversight & Management Board for Puerto Rico <i>as representative of</i> Puerto Rico Public Buildings Authority, Debtor	3:19-BK-5523 (LTS) PROMESA Title III (Jointly Administered)

3:17-BK-3283 (LTS); 3:17-BK-3566 (LTS); 3:19-BK-5523

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Further Disclosure Statement Hearing – July 14, 2021

Further Disclosure Statement Hearing held.

I. CONTESTED MATTERS

1. Disclosure Statement and Solicitation Procedures Motion. *Amended Joint Motion of the Commonwealth of Puerto Rico, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, and the Puerto Rico Public Buildings Authority for an Order (I) Approving Disclosure Statement, (II) Fixing Voting Record Date, (III) Approving Confirmation Hearing Notice and Confirmation Schedule, (IV) Approving Solicitation Packages and Distribution Procedures, (V) Approving Forms of Ballots, and Voting and Election Procedures, (VI) Approving Notice of Non-Voting Status, (VII) Fixing Voting, Election, and Confirmation Deadlines, and (VIII) Approving Vote Tabulation Procedures* [Case No. 17-3283, ECF No. 16756]

Disclosure Statement for the Fifth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al. [Case No. 17-3283, ECF No. 17308]

2. Confirmation Procedures Motion. *Motion of Debtors for an Order Establishing, Among Other Things, Procedures and Deadlines Concerning Objections to Confirmation and Discovery in Connection Therewith.* [Case No. 17-3283, ECF No. 16757]

Judge provided her remarks on the matters before the Court. Filing of the *Fee Examiner's Status Report and Notice Regarding the Application of Presumptive Standards to Plan Confirmation Hearing Attendance* (ECF No. 17322 in Case No. 17-3283), specifically the information at paragraph 10, was acknowledged.

Counsel for the Financial Oversight and Management Board for Puerto Rico (FOMB) provided an update on recent developments: motions filed yesterday by Ambac Assurance Corporation (Ambac) (ECF No. 17319 in Case No. 17-3283) and Financial Guaranty Insurance Company (FGIC) (ECF Nos. 17315 and 17316 in Case No. 17-3283); and an agreement reached by Ambac, FGIC and the FOMB after further discussions with the Mediation Team as to the plan treatment that would obviate going through the respective objections to the Disclosure Statement.

Counsel for Ambac, FGIC and the FOMB requested the Court to adjourn the continuation of the Disclosure Statement Hearing for a 10-day period. The Court granted a continuance of this hearing to July 27, 2021 with respect to the objections of Ambac and FGIC.

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At the request of the Court, counsel for FOMB provided responses to the objections that have been argued to the Disclosure Statement and Solicitation Procedures Motion and the Confirmation Procedures Motion.

Oral preliminary rulings were issued taking into consideration all of the arguments yesterday and further remarks today. The objections other than those of Ambac and FGIC were overruled, with the exception of certain deficiencies identified by the Court and certain instructions concerning scheduling and other procedural matters, without prejudice to renewal in connection with plan confirmation.

The Court will enter orders reflecting the preliminary rulings issued today. FOMB shall file a form of order incorporating such rulings in the proposed final order and appropriate section of the disclosure statement.

Court to issue a trial procedures order closer to the Confirmation Hearing date that resolves the remaining issues raised in the Confirmation and Discovery Procedures Motion. The Confirmation Hearing will commence on November 8, 2021 and will continue on November 9, 10, 12, 15-18, 22, and 23. The Order will have additional dates for discovery-related deadlines and filing of pretrial motions.

Revised version of Disclosure Statement and proposed orders approving the revised Disclosure Statement and Solicitation Procedures Motion -- including redlines of each -- shall be filed by **Sunday, July 25, 2021, at 9:00 AM (AST)**. Any written objections to the modifications made in response to these orders shall be filed by **Monday, July 26, 2021, at 9:00 AM (AST)**.

Continuation of this hearing is set for July 27, 2021 at 9:30 AM (AST) before Judge Laura Taylor Swain.

s/María Luz Díaz-Santiago
María Luz Díaz-Santiago
Courtroom Deputy